

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 30, 2010

Teri A. Wall Georgia-Pacific LLC 133 Peachtree Street NE P. O. Box 105605 Atlanta, Georgia 30348-5605

Subject: Bond Modification Accepted With Conditions, Georgia-Pacific LLC, Eagle Canyon and Georgia-Pacific Gypsum Mines, M/015/0050 and M/041/0009, Emery and Sevier

Counties, Utah

Dear Mr. or Ms. Wall:

On April 5, 2010, the Division of Oil, Gas and Mining (Division) received an amendment to letter of credit 3056710 increasing the amount by \$37,300.00 from \$84,700.00 to \$122,000.00, and on April 26, 2010, the Division received another amendment changing the permit number on this letter of credit from M/015/050 to M/041/009.

The Division approves this change with the following condition:

Prior to giving final approval to the change in surety amount for the Eagle Canyon quarry, you must receive approval for the change through the bond release process. No later than October 1, 2010, please make application for release of grading requirements and associated surety for the Eagle Canyon quarry.

The Division and the Bureau of Land Management (BLM) will need to evaluate whether grading is adequate before releasing a portion of the surety for the Eagle Canyon quarry. A portion of the surety will need to be retained until revegetation has been successful.

The form with which to apply for partial release of the reclamation surety is on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf.

The Division will neither reject nor accept the changes to the letter of credit at this time, so we are not returning a copy signed as either accepted or rejected. We would like to accept the changes. If the changes are accepted, you would be able to apply to the Board of Oil, UTAH Gas and Mining for full release of the Self Bonding and Indemnity Agreement with the Board DNR

Page 2 of 2 Teri Wall M/015/0050 and M/041/0009 August 31, 2010

If you do not make application for partial release of the surety for Eagle Canyon, or if the BLM or Division determines that reclamation is not adequate, the Division will reject the proposed changes in the letter of credit.

Please let me know if you have questions about this letter or the surety release process. I can be reached at 801-538-5261 or by e mail at paulbaker@utah.gov. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:whw:pb

cc: <u>christopher_conrad@blm.gov</u> opie_abeyta@blm.gov

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